



H1 2016 earning results

JULY 26TH , 2016

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— • agenda H1 2016

- **Highlights and strategic update**

Philippe Lazare, Chairman and CEO

- **Performance and financial results**

Nathalie Lomon, EVP Finance

- **Conclusion**

Philippe Lazare, Chairman and CEO



Highlights & Update on Strategy and Operations

H1 2016

H1'16 / continued increase in business performance

- **Strong revenue growth : €1,133m**

- Like-for-like growth: +12%
- Reported growth: +7%

- **High profitability even with continued investments / EBITDA at 21.5%**

- **Net profit attributable to Ingenico Group shareholders up to €122m**

- **Key Highlights**

- Solid performance in most regions. Organic growth excl. Brazil: +15%
 - Outstanding performance in Asia and Europe
 - Steady growth in North America
 - Unfavorable macroeconomic situation in Brazil
- ePayments accelerating

- **2016 Objectives confirmed**

Operational update / Tetra

- Tetra deployment across regions

APAC & Middle-East



Latin America



Europe & Africa



- MarketPlace update

- +130 apps ready or being developed
- Goal: 150 by end 2016
- First pilots started in France / Set up in Mexico, Brazil and Australia
- Apps available : customer survey, prepaid top-up and gift cards, donation, bill split...

Operational update / ePayments

- **Technological platforms upgrade:** Best in class services in the industry
- **Strategic progress:** Increasing flows with strategic clients
- **IngenicoConnect:** Fully deployed on cross-border platform
- **Important contract with Alipay**
 - Offer: Provide full-service payment processing to Aliexpress (Alibaba marketplace)
 - Goal: Improve card authorization rates on Aliexpress
- **Double digit growth in H2 2016 confirmed**

Operational update / cross-channel



Deployment in progress

4 contracts signed in Q2

+10 deals in the pipeline

All fonctionnalités available

Unified portal and reporting

Token CRM

Refund by web

Store to web

Business case: Selecta France

Contactless terminals on vending machines

Refund by web

Unified back office

Strategic update / acquisitions

- **Acquisition of 70% of Lyudia / Distribution partner in Japan**
 - Provides SW development, certifications, logistics, maintenance and support in Japan
 - Gives us the foundation to be well positioned to capture Japan EMV migration
- **Acquisition of Think & Go NFC / Connected screens start-up**
 - Turns digital advertising displays into payment terminals
 - Strengthens our leadership in omni-channel payment acceptance
- **Acquisition of Nera (closing in Q3) / Distributor in South East Asia**
 - Provides SW development and terminal distribution and services in Thailand, Singapore, Indonesia, the Philippines, Malaysia and Vietnam
 - Allows us to deploy Ingenico entire product range more effectively and generate sizeable distribution synergies



Performance
and
financial
results

H1 2016

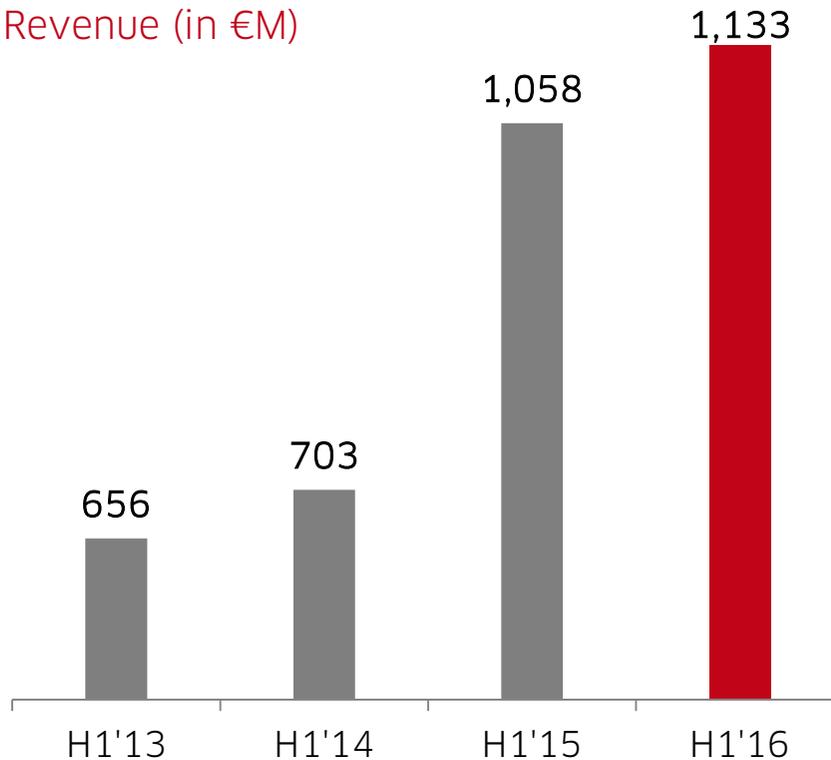
Basis of presentation for H1'16 financials

For a better understanding of the Group's performance

- Operating performance and income statements in this presentation are prepared on an adjusted basis, i.e. excluding the impact of PPA amortization (IFRS3)
- Foreign exchange gains and losses (including hedging) are reported in the income statement depending on their nature

H1'16 / strong and sustained growth

Revenue (in €M)



Year-on year: +7%

- FX impact: -€50M

Like-for-like: +12%

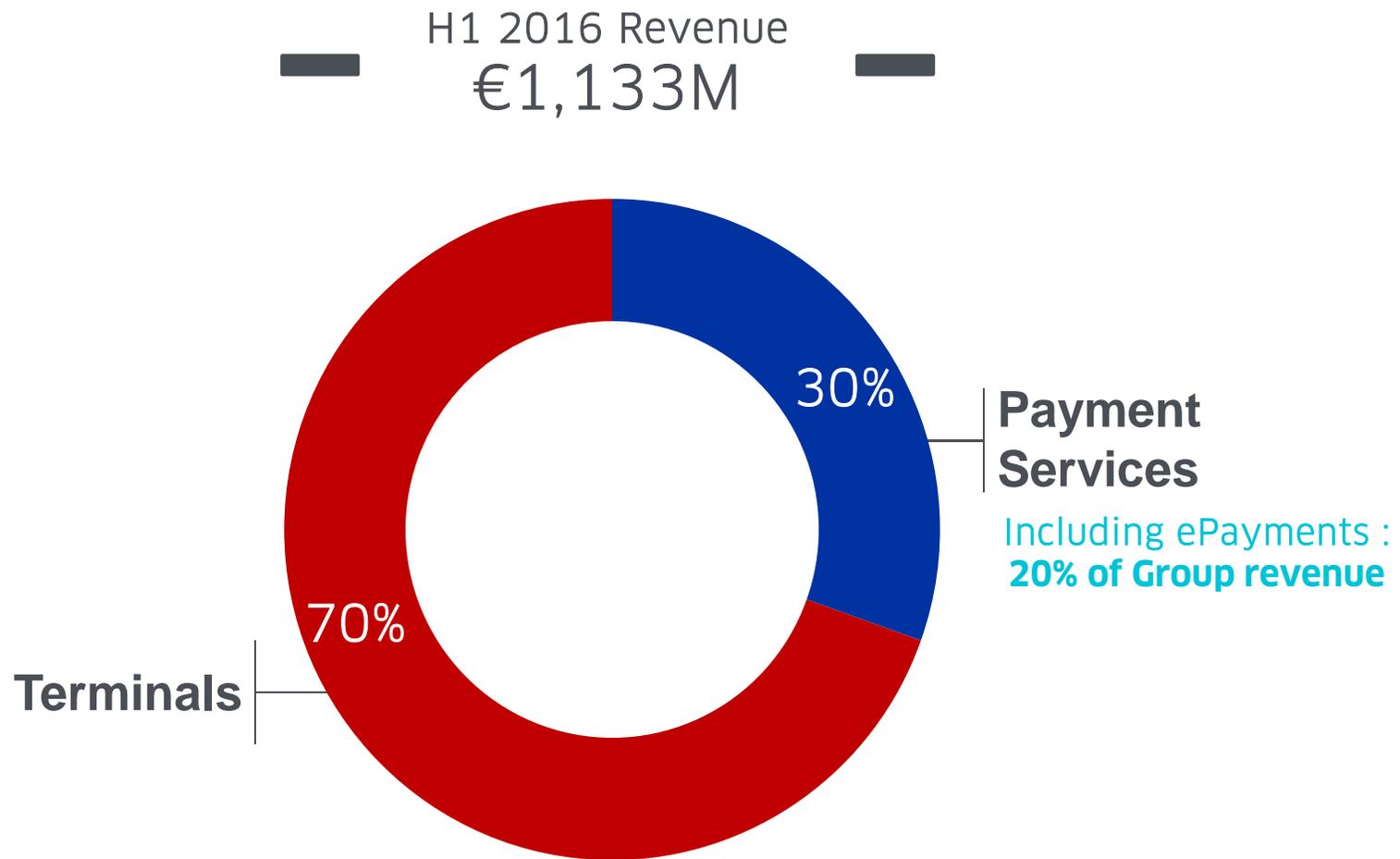
By geography

- Solid growth across most regions
- +15% like-for-like excluding Brazil

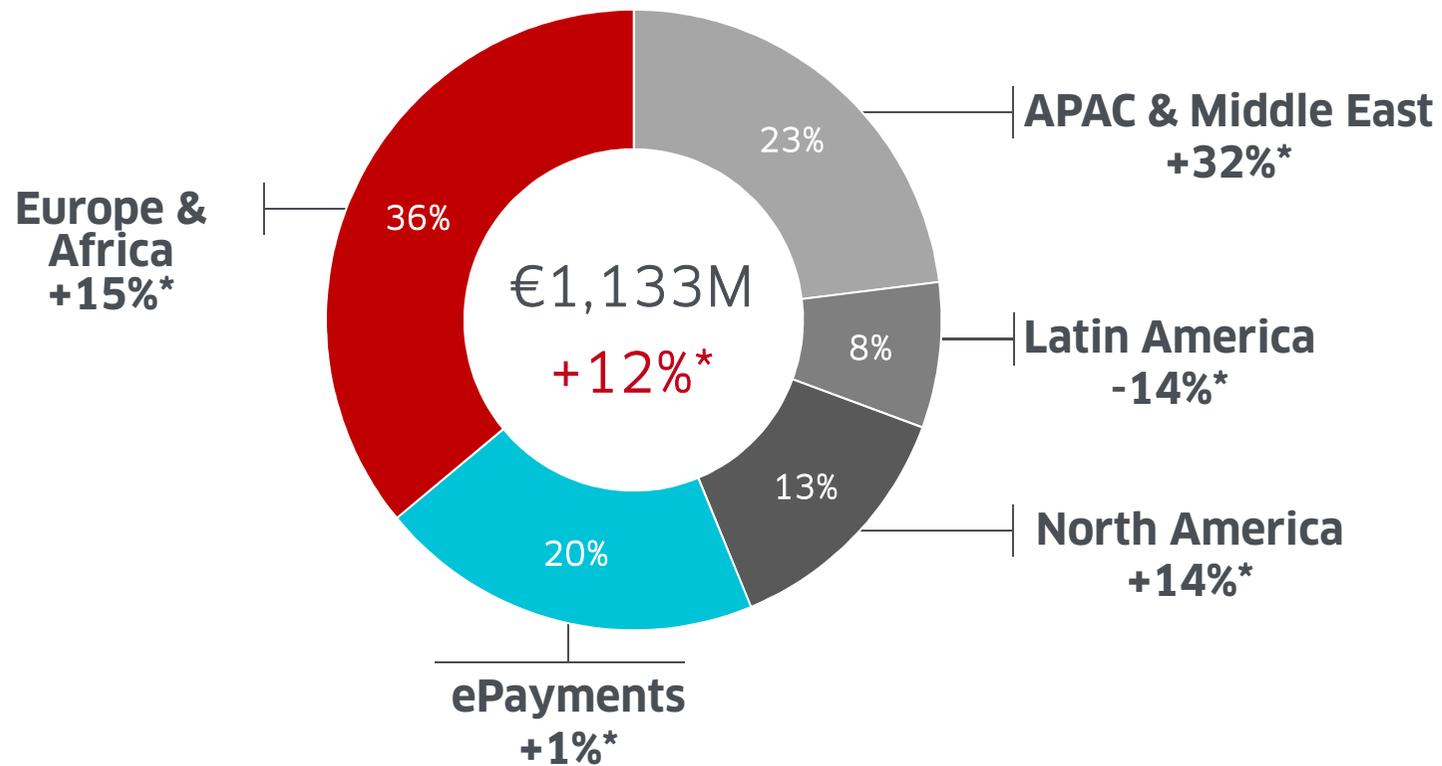
By business segment

- Terminals / +15%
- Payment Services / +5% including e-Payments: +1%

H1'16 / group transformation in progress



H1'16 / revenue by region



*Growth rate at constant FX & scope

Q2'16 organic growth / performance per region

North America (+11%*)



- EMV migration
- Market shares gains among US large retailers and new verticals
- Bottlenecks among distributors

Europe & Africa (+13%*)



- Replacement cycle in nordic countries
- Market share gains in Eastern Europe
- Instore services expansion in Western Europe

APAC & Middle-East (+29%*)



- Leading position in China
- Buoyant market in Turkey
- Tetra deployment in Australia

Latin America (-27%*)



- Stable market shares but unfavorable economic conditions in Brazil
- Buoyant market in Mexico and Argentina

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ePayments

ePayments (+4%*)

- Technological improvements
- Strong increase in new e-merchants
- Significant contract finalized with Alipay

H1'16 / consolidated income statement

In €M	H1'16	H1'15	Changes vs. H1'15
Revenue	1,133	1,058	+12%*
Gross Profit	490	474	+3%
<i>In % of revenue</i>	43.2%	44.8%	(160)bpts
EBITDA	244	249	(2)%
<i>In % of revenue</i>	21.5%	23.6%	(210)bpts
EBIT	206	221	(7)%
<i>In % of revenue</i>	18.1%	20.9%	(280)bpts
Net profit, attributable to Ingenico Group shareholders	122	122	-

Maintaining profitability while preparing for the future

H1'16 / gross profit by activity

<i>in €M</i>	Terminals	Payment Services	H1'16
Revenue	788	345	1,133
<i>Like-for-like growth</i>	<i>+15%</i>	<i>+5%</i>	<i>+12%</i>
Adj. Gross profit	368	122	490
<i>In % of revenue</i>	<i>46.7%</i>	<i>35.3%</i>	<i>43.2%</i>

High margin despite spendings on ePayments platforms,
products launch and client mix

H1'16 / operating expenses

<i>in €M</i>	H1'16	H1'15
Research & Development	87	69

Sales & Marketing	84	82

General & Administrative	113	102
Adj. Operating expenses	284	253
<i>In % of revenue</i>	25.1%	23.9%

High margin despite spendings on ePayments platforms, products launch and client mix

H1'16 / net profit

<i>In €M</i>	H1'16	H1'15
Adj. EBIT	206	221
Purchase Price Allocation	(21)	(25)
Other income & expenses	(0)	(3)
Financial result & Equity Method	(1)	(6)
Income before tax	183	188
Income tax	(56)	(64)
Income tax rate	30.7%	34.2%
Net profit	127	124
Net profit, attributable to Ingenico Group shareholders	122	122

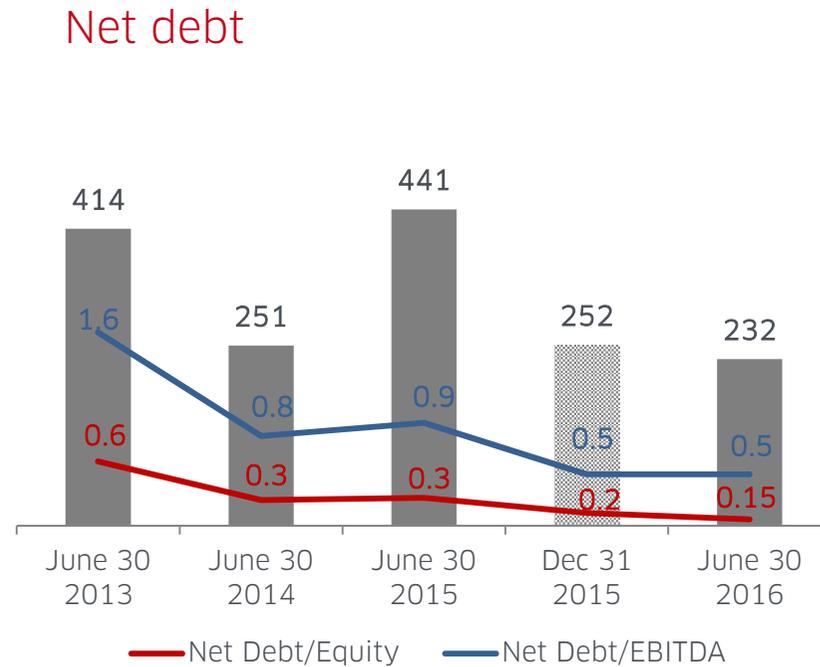
H1'16 / Free Cash Flow

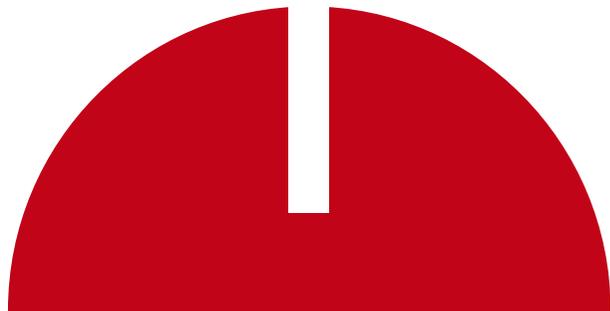
<i>In €M</i>	H1'16	H1'15
EBITDA	244	249
Working capital changes	(69)	(81)
Capex	(27)	(27)
Other income & expenses	(2)	(1)
Interests paid	(7)	(8)
Tax paid	(75)	(73)
Free Cash Flow	64	59

WCR limited despite revenue growth
Strong Free Cash Flow generation

H1'16 / robust financial structure

<i>In €M</i>	H1' 16	H1'15
Net debt as of Jan. 1	252	764
Free Cash Flow	64	59
Dividend paid	(35)	(31)
OCEANE	-	184
Acquisitions net of disposals	4	94
Others	(13)	18
Change in net debt	(20)	(324)
Net debt as of June 30	232	441





Conclusion

Outlook / on track to deliver 2016 objectives

Organic growth

≥ 10%

EBITDA margin

c. 21 %

2020 growth plan / committed to deliver long-term growth

Revenue objective

>€4bn*

Double-digit
organic growth

EBITDA margin

22-23%

FCF/Ebitda

conversion ratio

45%

Pay-out ratio

35%

* At 2015 exchange rate and including targeted acquisitions (c. €500M)



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